

RICHARD RICHARDS' EXHIBIT R1

REVISED STATEMENT OF RICHARD RICHARDS

Federal Communications Commission

Docket No. 93-176 Exhibit No. ONE

Presented by RICHARDS

Disposition { Identified ✓
Received ✓
Rejected _____

Reporter M.K. FLEISHMAN

Date 12/07/93

STATEMENT OF RICHARD RICHARDS

Richard Richards hereby states under penalty of perjury:

A. Background

1. I was born on July 31, 1940. I grew up in the Chicago, Illinois metropolitan area. After graduation from high school, I moved to California and attended Los Angeles City College for two years. I lived in Los Angeles for approximately 10 years, working in the entertainment field, including acting and writing, and as a hairdresser and real estate agent. I moved to Sierra Vista, Arizona in approximately 1968. Since that time, I have worked in the health food field primarily as a grower and distributor of health food. I currently live on 80 acres of leased farmland in St. David, Arizona, on 12 acres of which I grow organic vegetables, primarily carrots, which I sell.

B. The Station

2. I am the licensee of low power television station K33CG, Sierra Vista, Arizona (the "Station"). The Station rebroadcasts the signal of Station KTBN-TV, Santa Ana, California, 24 hours a day. Station KTBN-TV originates the programming of the Trinity Broadcasting Network (the "TBN Network"), a Christian religious network, which has affiliates throughout the United States and in other countries. The programming includes talk shows, religious education, evangelists, religious music, prayer and church services and inspirational and family programs.

3. I believe the Station's signal covers a population of between 50,000 and 60,000. Neither the Station's signal, nor the TBN Network, is carried on cable in the area served by the

Station; listeners must therefore have a UHF antenna and booster to receive it. I have personally installed about 250 antennas and boosters for this purpose. I believe the Station currently has between 1,000 and 2,000 homes. Based on my conversations with listeners, I believe they depend on the Station as the only available source of programming espousing good moral values on a consistent basis.

4. I devote approximately 20 hours per week to the maintenance and operation of the Station, including the installation of antennas and boosters for new listeners. The Station has no employees.

5. I spent approximately \$42,000 of my own money constructing the Station. I initially operated the Station at my own expense. Monthly operating expenses averaged approximately \$1,000 and the Station generated no revenue. This did not concern me because my purpose in constructing and operating the Station was not to make money, but to spread God's word. I later learned that TBN would enter into an affiliation agreement with an operator such as myself pursuant to which TBN would return 80% of all donations it received from listeners to my Station in order to defray Station operating costs. I entered into such an agreement with TBN and have been operating pursuant to it since March 1, 1992. Attached hereto as Exhibit 1 is a monthly listing of the Station's revenues received pursuant to the TBN agreement since January 1993, a breakdown of approximate monthly operating expenses during that period and a summary of the Station's

construction costs and the source of funds used to pay these costs. As Exhibit 1 reflects, net revenue from the Station's operation averaged approximately \$360 per month for the first nine months of 1993. This money is available for extraordinary Station expenses and for use toward my day-to-day living expenses.

6. I am currently working toward my goal of originating local programming over the Station. This programming would include local news and sports, chamber of commerce information and children's programming. To date, I have purchased two VHS cameras. I have visited approximately 10 local churches and discussed their participation in programming on the Station. I have also filmed services at three of these churches for test purposes. I hope to commence some local programming by the end of December, 1993. Under my agreement with TBN, I am permitted to originate up to 3.5 hours per day. I have not yet decided how many hours per week I will broadcast. My goal, however, is to broadcast enough local programming to qualify for inclusion on the local cable system. This system currently reaches approximately 35,000 homes.

C. Circumstances Underlying Conviction

7. On May 4, 1992, I pled guilty to possession of less than 50 kgs of marijuana with intent to distribute and cultivating marijuana on federal property in violation of Title 21, United States Code, Sections 841(a)(1), 841(b)(1)(D) and 841(b)(5). First, I would like to make clear that I have never

sold marijuana or any other illegal drug. I did grow some marijuana on my property and on adjacent federal property, but this was solely for personal use. Some of the marijuana plants seized in connection with my arrest were transplanted plants of a friend of mine. My friend had asked me to tend some of his plants and to return them to him when they had matured. I agreed to do this. I understand that this agreement constitutes an intent to "distribute" marijuana.

8. On July 31, 1992, I was convicted of the above offenses and sentenced to (i) five years' supervised probation, (ii) seven months' house arrest and (iii) substance abuse testing and treatment. As part of my plea agreement, I also consented to a judgment in a concurrent civil forfeiture action pursuant to which I forfeited my 82.5 acre ranch, including my house, which I estimate to be worth approximately \$550,000.

D. Other Criminal Convictions

9. I have not been convicted of any crime other than a Class 2 misdemeanor domestic violence/assault conviction in January 1990. The "assault" involved tossing a turkey at my estranged spouse during the course of an argument.

E. Rehabilitation

10. I used marijuana prior to my conviction, but I have not used it since December 31, 1991. I have never used any other illegal drug.

11. In the mid-1980's, I became born again in the word of the Lord, Jesus Christ. Since that time, as my faith has grown

and deepened, I have come to realize that my use of marijuana, while strictly for personal purposes, was wrong. I had justified my marijuana use by the fact that it did not harm anyone else or myself. For me, it was a mild stimulant, much like coffee. I regret my marijuana use, but I am now focused on the present and the future, not on the past. I am committed to serving my community by spreading the word of the Lord through the Station.

12. I have been a member of the local chapter of the Full Gospel Businessmen's Fellowship International ("Full Gospel") for about two years. Full Gospel holds regular gatherings and sponsors conventions and speeches to spread the word of the Lord. I have also regularly attended the Tree of Life Church in Huachuca City, Arizona, for the last two years.

13. Based upon many letters from and conversations with listeners, I believe my Station provides a valuable programming service to members of the Sierra Vista community and the surrounding area. I am excited about continuing to provide this service to the community and hopefully expanding this service by providing local programming. I am afraid that if my license is taken away, TBN Network's valuable programming will no longer be available to my listeners. If my license is renewed, I pledge to continue to provide quality programming to my community.

I hereby state under penalty that the foregoing "Statement of Richard Richards" is true and correct to the best of my knowledge, information and belief.

Richard Richards

Dated: November __, 1993

Attachment
~~Exhibit 1~~ one

1. Construction Costs

Application preparation	\$ 1,000
Transmitter	12,000
Tower, including concrete base, 20' x 20' hole in solid rock, and labor	15,000
Cable	1,500
Antenna	10,000
Building	3,000
Satellite System	<u>3,000</u>
TOTAL	\$45,000^{1/}

2. Monthly 1993 Operating Expenses

B.L.M. land rental	\$ 250
Electricity	50
VHS tapes for library on local programming	50
Transmitter site and equipment maintenance	300
Gas to and from transmitter site	200
Gas to churches for VHS taping	100
Donations to TBN	<u>50</u>
TOTAL	\$1,000

3. Monthly 1993 Revenue

January	\$ 676.80
February	1,388.00
March	1,511.20
April	1,972.80
May	1,143.60
June	1,578.40
July	?
August	1,084.00
September	1,504.40
MONTHLY AVERAGE	\$1,357.40

^{1/} All costs paid by Mr. Richards except for the Satellite System which was donated by the Golden Acres Church. Mr. Richards also received approximately \$5,000 from the TBN Network which was used to cover miscellaneous expenses during new tower construction.